

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
Before the Director of the Department of Insurance and Financial Services

In the matter of:

Strength Training & Recovery Corporation
Petitioner

File No. 21-1784

v

Meemic Insurance Company
Respondent

Issued and entered
this 18th day of February 2022
by Sarah Wohlford
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On November 29, 2021, Strength Training & Recovery Corporation (Petitioner) filed with the Department of Insurance and Financial Services (Department) a request for an appeal pursuant to Section 3157a of the Insurance Code of 1956 (Code), 1956 PA 218, MCL 500.3157a. The request for an appeal concerns the determination of Meemic Insurance Company (Respondent) that the Petitioner overutilized or otherwise rendered or ordered inappropriate treatment, products, services, or accommodations under Chapter 31 of the Code, MCL 500.3101 to MCL 500.3179.

The Respondent issued the Petitioner a written notice of the Respondent's determination under R 500.64(1) on September 14, 2021. The Petitioner now seeks reimbursement in the full amount it billed for the dates of service at issue. The Department accepted the request for an appeal on November 29, 2021. Pursuant to R 500.65, the Department notified the Respondent and the injured person of the Petitioner's request for an appeal on December 13, 2021, and provided the Respondent with a copy of the Petitioner's submitted documents. The Respondent filed a reply to the Petitioner's appeal on December 22, 2021. The Department assigned an independent review organization (IRO) to analyze issues requiring medical knowledge or expertise relevant to this appeal. The IRO submitted its report and recommendation to the Department on January 12, 2022.

II. FACTUAL BACKGROUND

This appeal concerns the denial of payment for physical therapy services rendered to the injured person on two dates of service at issue¹ under Current Procedural Terminology (CPT) code 97110, which is described as:

¹ The dates of service at issue in this appeal are August 9 and 20, 2021.

therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility.

With its appeal request, the Petitioner submitted a “letter of medical necessity,” which identified the following diagnoses for the injured person in relation to a motorcycle accident in August 2020: traumatic brain injury, bilateral pneumothorax, bilateral rib fractures with fixation, right scapula fracture, left clavicle fracture, open sternal fracture with cardiac contusion, cervical, thoracic, and lumbar vertebrae fractures, and abrasions and lacerations to all extremities, trunk, and face.

The Petitioner’s request for an appeal further stated:

[The injured person’s] physical disability is highly complex in nature and requires greater consideration than many guidelines are able to provide including [Official Disability Guidelines]. [The injured person] has a myriad of physical and emotional ailments that serve as significant barriers to the expedient improvements typically seen with less complicated rehabilitation episodes.

Cessation of physical therapy services will undoubtedly result in prolonged disability for [the injured person] ...continued physical therapy services are absolutely necessary for [the injured person’s] medical condition.

In its reply to Petitioner’s appeal, the Respondent cited the American College of Occupational and Environmental Medicine (ACOEM) guidelines for traumatic brain injury disorders as well as the Official Disability Guidelines (ODG) and noted that the treatment quantity including the at-issue services exceeds the ACOEM recommendations and ODG of eight weeks of physical therapy treatment. Respondent specifically cited to medical records reflecting the injured person’s limited progress in physical therapy and the conclusion contained therein that the injured person was unlikely to make meaningful progress.

III. ANALYSIS

Director’s Review

Under MCL 500.3157a(5), a provider may appeal an insurer’s determination that the provider overutilized or otherwise rendered inappropriate treatment, products, services, or accommodations, or that the cost of the treatment, products, services, or accommodations was inappropriate under Chapter 31 of the Code. This appeal involves a dispute regarding inappropriate treatment or overutilization.

The Director assigned an IRO to review the case file. In its report, the IRO reviewer concluded that, based on the submitted documentation, the at-issue treatment was not medically necessary in accordance with medically accepted standards and was overutilized in frequency or duration.

The IRO reviewer is a practicing board-certified physical medicine and rehabilitation physician. The reviewer is knowledgeable with respect to the medical conditions and type of treatment at issue in this appeal. In

its report, the IRO reviewer referenced R 500.61(i), which defines “medically accepted standards” as the most appropriate practice guidelines for the treatment provided. These may include generally accepted practice guidelines, evidence-based practice guidelines, or any other practice guidelines developed by the federal government or professional medical societies, boards, and associations. The IRO reviewer relied on ACOEM guidelines as well as evidence-based literature in reaching its determination. The IRO reviewer opined:

[F]ormal rehabilitation on a prolonged basis is not recognized in any generally accepted practice guideline, evidence-based practice guideline, or other guideline ...as appropriate management with respect to TBI. ... [The injured person’s] difficulties revolve around pain and behavioral issues that [are] beyond the ability of physical therapy to address.

The IRO reviewer recommended that the Director uphold the Respondent’s determination that the physical therapy services provided to the injured person on the dates of service at issue was not medically necessary in accordance with medically accepted standards, as defined by R 500.61(i).


IV. ORDER

The Director upholds the Respondent’s determinations dated September 14, 2021.

This order applies only to the treatment and dates of service discussed herein and may not be relied upon by either party to determine the injured person’s eligibility for future treatment or as a basis for action on other treatment or dates of service not addressed in this order.

This is a final decision of an administrative agency. A person aggrieved by this order may seek judicial review in a manner provided under Chapter 6 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.301 to 24.306. MCL 500.244(1); R 500.65(7). A copy of a petition for judicial review should be sent to the Department of Insurance and Financial Services, Office of Research, Rules, and Appeals, Post Office Box 30220, Lansing, MI 48909-7720.

Anita G. Fox
Director
For the Director:

X 

Sarah Wohlford
Special Deputy Director
Signed by: Sarah Wohlford